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TO RUEHC/SECSTATE WASHDC IMMEDIATE 0431

INFO RUCNIRA/IRAN COLLECTIVE IMMEDIATE

RUEHGG/UN SECURITY COUNCIL COLLECTIVE IMMEDIATE

RUEHII/VIENNA IAEA POSTS COLLECTIVE IMMEDIATE

RUCNNAR/VIENNA NARCOTICS COLLECTIVE IMMEDIATE

RUEHBUL/AMEMBASSY KABUL IMMEDIATE 0313

RUEHDE/AMCONSUL DUBAI IMMEDIATE 0085

S E C R E T SECTION 01 OF 04 UNVIE VIENNA 000570

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TAGS: PREL NNP IR SNAR AF

SUBJECT: 2010: VIENNA,S YEAR OF IRAN?

REF: UNVIE 566 NOTAL

UNVIE VIEN 00000570 001.2 OF 004

Classified By: Ambassador Glyn Davies for reasons 1.4 (c) and (e)

¶1. (C) This is an ACTION request. Please see paragraph 14.

Summary

¶2. (C) As we enter a new year in dealing with Iran across the UN organizations in Vienna, we thought it useful to take stock of where we stand at the end of 2009 and how that will affect the way forward.

-- The November Board resolution gave us momentum in the IAEA Board of Governors for pressuring Iran on its nuclear program, but maintaining that momentum depends on P5 plus 1 unity and additional new IAEA reporting that Iran is increasingly defiant. Nevertheless, as Tehran takes the pulse of the international community, the mood in Vienna will certainly be noticed. In any case, pressure in Vienna almost certainly will not result in full Iranian cooperation with the IAEA.

-- We need to maintain our support for the Tehran Research Reactor (TRR) deal, while making clear that it is Iran that has dashed states' hope for that deal as a catalyst for dialogue. That, and Iran's refusal to pursue engagement on the nuclear issue with the P5 plus 1, leaves us no choice but to ratchet up the pressure in hopes of prompting a change of calculus in Tehran.

-- Iranian Ambassador Soltanieh may be struggling to hold his position in Vienna after his role in the TRR negotiations and IAEA Director General ElBaradei's circumvention of him to reach Atomic Energy Organization of Iran head Salehi. He will try to keep his head above water using his roles as President of the UNIDO General Conference and as Chairman of the Commission on Narcotic Drugs (CND), increasing Iran's focus on these forums. Nevertheless, he may be replaced in ¶2010.

-- Iranian chairmanship of the CND will present opportunities for the USG to pursue any remaining interest in engagement on counterdrug and broader Afghan issues or to signal that all issues are conditioned by Iran's responses in other areas.
End Summary.

Keeping the Momentum in the IAEA Board

¶3. (C) The November IAEA Board resolution on Iran placed a united P5 plus 1 in support of the Agency and its need to better understand Iran's nuclear program. Russia and China's participation in formulating the resolution, including, no doubt, our ability to point at China's hand in the drafting, were key for both the support the resolution received and the consequent pressure that Iran will feel. Iran's lashing out at Russia in the wake of the resolution suggests that Tehran understands the importance of this measure for the process in New York and forward movement on the pressure track. We are well placed to continue this pressure in Vienna in tandem with preparations for UNSC action, which we expect will be the next step. The broad support for the resolution and the fact that even several countries who abstained from the vote admitted that they had no qualms with the substance, but disagreed with the timing, suggest that the general consensus in Vienna is that cooperation is long overdue; even states historically on the fence, such as India, South Africa or even Egypt are tiring of Iran's games.

¶4. (C) That said, the prospects for continued momentum will depend on our ability to keep Russia and China on board with supporting factual DG reports detailing Iran's lack of cooperation, and with statements that at the very least do not show divisions or obvious kowtowing to Iranian pressure or interests. As usual, China may be the weak link, as evidenced by their nervousness at the November Board as pressure mounted from the NAM troika and others that the timing of the resolution could destroy the diplomatic opening created by Geneva and the TRR deal.

¶5. (C) Further decisive Board action, such as another resolution, would likely depend on new developments in upcoming reports from DG Amano that reflect further Iranian

UNVIE VIEN 00000570 002.2 OF 004

efforts to shirk their safeguards obligations, or perhaps reflect new revelations about the nature of Iran's nuclear program. (Comment: For example, a formal report from the DG noting serious concern regarding recently revealed documentation purportedly related to neutron initiators for nuclear weapons would certainly command Board attention. That said, it is not clear at this time how/whether the IAEA will report substantively on the suspect neutron initiator work. End comment.)

¶6. (S) Adding to that pressure, in Amano's short tenure as the new IAEA Director General he has hewed to his expected course of focusing on the technical aspects of his job rather than the more political contemplations ElBaradei often shared publicly and with the Board. As required by the November resolution, the new DG immediately informed the Security Council of the Board resolution on his first day in office. On the same day, he authorized a public IAEA statement that the IAEA would be following up with Iran on its claim to be building ten new enrichment sites at as yet undisclosed locales. Citing Iran's obligations under Code 3.1 modified, the Agency sent a letter to Iranian officials asking for more information on the sites. If Amano discontinues ElBaradei's practice of stating privately and in his reports that countries need to provide original documents to Iran, as noted in Ref A, then one of the key arguments Iran and its apologists use in explaining away Tehran's noncooperation with the Agency will be undercut.

¶7. (C) From Vienna, it appears that Iran will not agree to the TRR agreement as conceived in Geneva, elaborated through three days of negotiations at the IAEA under former DG ElBaradei, and loudly ruminated upon for nearly ten weeks since. Even former DG ElBaradei believes that the guarantees offered in response to Iran's repeated requests are more than sufficient and has said so publicly. At the November meeting of the Board of Governors, several states cited their hope that agreement could still be reached on the TRR proposal and cited this as a reason not to pressure Iran via a Board resolution, but as time continues to pass, such hope will

appear more and more far-fetched. Frustration with Iran for dismissing the outstretched hand could increase willingness among some Vienna delegations and their capitals to agree to at least matter-of-fact support for the IAEA and its attempted investigations. We need to make clear our continued support for the TRR proposal, stress that it is Iran that has dashed states' hopes for a breakthrough, and note therefore that it is Tehran that has left the international community no choice but to explore new means to persuade Iran it cannot continue to defy its obligations and the global desire for a diplomatic solution.

Opportunities on Counternarcotics?

¶18. (S) Iranian statements to the press and in the IAEA Board suggest that Iran may feel a bit of whiplash from U.S. efforts to balance an interest in possible engagement with strong rhetoric on the nuclear issue. While Iran has resisted pressure to cooperate substantively on the major questions still posed by the IAEA and refused to come back to the table with the P5 plus 1 if the nuclear issue is on the table, Tehran has increased its focus on counternarcotics efforts, both domestically and regionally, and has increased its profile on the counternarcotics issue in Vienna through UNODC. As our UNODC interlocutors make clear, Iran sees drug control as a serious issue (largely for domestic stability reasons), but still may be motivated to use counternarcotics cooperation as a lever over the international community. Domestic struggles over cooperation with the U.S. persuade us Iran may not be able to make a decision in favor of cooperation on counternarcotics even if in Iran's interest. Nevertheless, Iran's interest in engagement with the West on this issue (as described repeatedly by UNODC officials) paves the way for limited gains if we choose to pursue them. In addition, Tehran's actions in the wake of the elections have reduced the pressure for the U.S. to work with Iran in this venue, so doing so might appear magnanimous to some, but could provoke sniping by the countries most insistent on pressuring Iran. The position of the UNVIE Ambassador as the U.S. representative to key international bodies on both the nuclear and drug control issues also could show a coordinated strategy on possible counternarcotics cooperation while making clear that the USG is still clearly focused on Iran's need to cooperate with the IAEA on its nuclear program.

UNVIE VIEN 00000570 003.2 OF 004

¶19. (S) Thus, Soltanieh's upcoming chairmanship of the CND presents both a challenge and an opportunity for the USG. While there may be limits on U.S. delegation activity at this CND, we also have an opportunity to engage Iran in a forum where many of our interests are coincident. Ambassador Soltanieh also has a strong personal and professional interest in leading the Commission in a manner in which he is seen as an active and even-handed interlocutor, and to a conclusion that is in Iran's interests. Under normal circumstances, Mission would already have sought out consultations with the CND chair to advance our plans for the CND. Iran as chair is putting us behind that normal timetable and will inevitably affect our ability to achieve USG priorities. Presumably, if we engaged Iran, Soltanieh likewise would need to seek guidance from capital, making an early U.S. decision even more crucial. We expect that Soltanieh would be interested in playing this role given his penchant for the spotlight and his behavior surrounding the TRR negotiations, including seeking out Deputy Secretary of Energy Poneman to try shake his hand and make at least small talk, necessitating Iranian Legal Adviser Asgari to pull him away from the USDEL.

¶10. (S) Soltanieh's practical approach to chairmanship of the CND might also allow the opportunity for closely-controlled, higher-level engagement between Ambassadors in a way that would make sense to Iran, could

achieve U.S. goals in the CND, and yet could maintain a strong, focused line on the nuclear issue. Our experience with the TRR negotiations suggests that we should not expect Iran to have a coordinated policy at the beginning of any interactions, but reducing the profile of any U.S. approach by embedding it in the normal business of the CND could allow Iran the time and space to explore forward movements while reminding Iran that we will not waver from our clear path on the nuclear issue.

What Next for Soltanieh?

¶11. (C) Ambassador Soltanieh seemed dejected at the last Board meeting, much of the familiar passion of his Board statements absent and replaced with a seemingly forced evenness of tone. Many diplomats in Vienna believe Soltanieh is on his way out after the failure to have Iran's file removed from the Board's agenda was punctuated by his failure to bring home a deal on the TRR and further amplified by the overwhelming vote in favor of the Iran resolution at the Board. The TRR negotiations were not the first time that Soltanieh, driven by his own ego and penchant for showmanship, has been out in front of the regime's nuclear policy and been pulled back to a position more accordant with Tehran, but it certainly was a very visible example and one fraught with the baggage of the domestic infighting that this issue drew. ElBaradei's repeated outreach to AEOI head Salehi, circumventing Soltanieh, no doubt made clear to Iranian officials in Tehran that Soltanieh is no longer an effective interlocutor with the IAEA. In addition, the departure of several officials from the Vienna scene, including AEOI deputy Saidi, will leave a less experienced crew navigating Iran's file, although Legal Adviser Asgari and Deputy Chief of Mission Esmaeli presumably will remain involved to provide some continuity and expertise.

¶12. (C) If Soltanieh is replaced, his successor could have a measurable impact on how the Iran file plays here. A charismatic replacement could allow Iran to hold onto support from NAM stalwarts; alternatively, a more pugnacious personality could present us a further opportunity to wean some of the increasingly disenchanted NAM states away from Iran's support structure. If a Soltanieh successor follows the path of many other ambassadorial postings under the Ahmadinejad administration, the replacement would probably be conservative and less diplomatic in his approach than Soltanieh, even factoring in Soltanieh's peculiarities and outbursts.

¶13. (C) Soltanieh probably will cite his presidency of the UNIDO General Conference and upcoming chairmanship of the CND to show Tehran that he is an effective diplomat and bringing greater international prestige to Iran and thus should stay. Furthermore, he appears to be sinking much greater effort into these new positions, perhaps because of the stalemate on the nuclear file, the importance of drug control issues to Tehran, the increasingly visible profile of the counternarcotics issue in Vienna, and the possibility that it

UNVIE VIEN 00000570 004.2 OF 004

will lead to increased cooperation with the West which, perhaps until recently, was an accomplishment many in Tehran wanted to claim responsibility for achieving.

Action Request

¶14. (S) Mission seeks guidance on next steps with Iran in Vienna, especially on whether and to what extent we can engage Iran as the CND chair, including at the Ambassadorial level. Early guidance would help Mission work to advance USG goals for the March CND (keeping in mind that this meeting will be shortly after the March Board of Governors session).

UNVIE would appreciate guidance on how to portray our participation in the CND and the balance of that issue with the nuclear issue, especially if clearance is given for some interaction with Iran. In the meantime, we will continue to take advantage of the arrival of a new IAEA DG more focused on the IAEA's technical, fact-finding role to make clear that Iran has a great deal of explaining still to do about its past and present nuclear activities.

DAVIES